GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:248
ANSWERED ON:17.12.2004
FUNDS FROM FOREIGN FINANCIAL INSTITUTIONS
Channappa Shri Kunnur Manjunath

Will the Minister of FINANCE be pleased to state:

(a) the details of the assistance received by the Government from International Financial Institutions like IMF, World Bank, etc., during each of the last three years;

(b) whether the Government has fully utilised such funds;

(c) if so, the details thereof; and

(d) steps being taken for optimum utilization of funds received?

Answer

THE MINISTER OF FINANCE (P. CHIDAMBARAM)

(a), (b), (c) & (d) : A Statement is placed on the Table of the House.

Statement referred to in reply to Starred Question No. 248 for 17th December 2004 regarding Funds from Foreign Financial Institutions

(a) Details of assistance provided by Foreign Financial Institutions to the Government during the last three Financial Years are as under:

Assistance Received (currency in millions)

International Financial Institution	Currency	FY 2001-02	FY 2002-03	FY 2003-04
World Bank	US $	2131.692	1458.927	1661.983
Asian Development Bank	US $	276.359	311.027	454.300
International Fund for Agriculture Development	SDR	13.525	10.895	9.812

India has not borrowed from IMF since 1993.

(b) & (c): Yes, Sir. The amount of assistance received is based on Statement of Expenditure based reimbursement claimed from the World Bank by the Government. Insofar as project-wise utilization of assistance is concerned, there would be some unutilized amount at any point of time of implementation of a project, which, on average, is five years. The unutilized amount in a year is carried forward for utilization in the subsequent years, so long as this is within the overall project cycle or in the extended project cycle.

(d): The Government closely monitors the projects in consultation with the concerned State Governments, Line Ministries, project authorities and the external agencies to improve the disbursement. Projects having slow disbursement are given special attention. Some of the steps taken by the Government for optimum utilization of external aid are ensuring adequate provisioning for externally aided projects in the budgets of State and Central Government, streamlining of procurement procedures, strengthening of Project Monitoring Units in some States and Central Ministries, appointment of Nodal Officers for the States and regular review of projects.